

2320 Department of Real Estate

The mission of the Department of Real Estate is to safeguard and promote the public interests in real estate matters through licensure, regulation, education, and enforcement.

3-YR EXPENDITURES AND PERSONNEL YEARS

	Personnel Years			Expenditures		
	2010-11	2011-12	2012-13	2010-11*	2011-12*	2012-13*
10 Licensing and Education	66.0	71.4	69.2	\$10,683	\$12,081	\$12,205
20 Enforcement, Audits, and Recovery	192.0	198.1	192.0	26,551	28,223	27,896
30 Subdivisions	36.3	36.1	35.0	6,530	7,185	6,975
40.10 Administration	56.6	54.1	52.5	7,000	10,174	10,547
40.20 Distributed Administration	-	-	-	-7,000	-10,081	-10,454
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	350.9	359.7	348.7	\$43,764	\$47,582	\$47,169
FUNDING				2010-11*	2011-12*	2012-13*
0317 Real Estate Fund				\$43,608	\$47,147	\$46,734
0995 Reimbursements				156	435	435
TOTALS, EXPENDITURES, ALL FUNDS				\$43,764	\$47,582	\$47,169

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Business and Professions Code, Division 4, Parts 1 and 2. (Sections 10000-10602, and 11000-11202, Chap. 130, Statutes of 1929)

DETAILED BUDGET ADJUSTMENTS

	2011-12*			2012-13*		
	General Fund	Other Funds	Personnel Years	General Fund	Other Funds	Personnel Years
Workload Budget Adjustments						
Workload Budget Change Proposals						
• Workforce Cap True-Up Adjustment	\$-	\$-	-11.4	\$-	\$-	-11.4
Totals, Workload Budget Change Proposals	\$-	\$-	-11.4	\$-	\$-	-11.4
Other Workload Budget Adjustments						
• Employee Compensation Adjustments	\$-	-\$353	-	\$-	\$262	-
• Retirement Rate Adjustment	-	-148	-	-	-148	-
• One Time Cost Reduction for HQ Relocation	-	-	-	-	-1,309	-
• Operational Efficiency Plan	-	-269	-	-	-269	-
• Cell Phone Reductions	-	-28	-	-	-28	-
• Rental Rate Reductions	-	-21	-	-	-	-
• Miscellaneous Adjustments for ProRata/GoBIZ	-	-	-	-	260	-
Totals, Other Workload Budget Adjustments	\$-	-\$819	-	\$-	-\$1,232	-
Totals, Workload Budget Adjustments	\$-	-\$819	-11.4	\$-	-\$1,232	-11.4
Totals, Budget Adjustments	\$-	-\$819	-11.4	\$-	-\$1,232	-11.4

PROGRAM DESCRIPTIONS

10 - LICENSING AND EDUCATION

The objective of the Licensing Program is to ensure that individuals who wish to engage in real estate business and act in the capacity of, or advertise as, a real estate broker or salesperson within California meet specified qualifications. The education section ensures licensees meet minimum education standards and requirements.

20 - ENFORCEMENT, AUDITS AND RECOVERY

* Dollars in thousands, except in Salary Range.

2320 Department of Real Estate - Continued

The objective of the Enforcement and Audit programs are to investigate the actions of any person acting in the capacity of a real estate licensee, perform financial compliance audits of licensees and subdividers, and administratively prosecute violations of the Real Estate Law and Subdivided Lands Law. The Recovery program enables victims of fraud to recover amounts per the limitations set by statute.

30 - SUBDIVISIONS

The Subdivisions Program protects the public against fraud and misrepresentation in the sale or lease of subdivided land through the issuance of public reports which disclose vital information to prospective purchasers of subdivision interests.

40 - ADMINISTRATION

The Administration Program provides support services to the department's programs through the Fiscal and Business Services Section, Information Technology Section, and Human Resources Section.

DETAILED EXPENDITURES BY PROGRAM

		2010-11*	2011-12*	2012-13*
PROGRAM REQUIREMENTS				
10 LICENSING AND EDUCATION				
State Operations:				
0317	Real Estate Fund	\$10,580	\$11,796	\$11,920
0995	Reimbursements	103	285	285
Totals, State Operations		\$10,683	\$12,081	\$12,205
PROGRAM REQUIREMENTS				
20 ENFORCEMENT, AUDITS, AND RECOVERY				
State Operations:				
0317	Real Estate Fund	\$26,551	\$28,223	\$27,896
Totals, State Operations		\$26,551	\$28,223	\$27,896
PROGRAM REQUIREMENTS				
30 SUBDIVISIONS				
State Operations:				
0317	Real Estate Fund	\$6,530	\$7,185	\$6,975
Totals, State Operations		\$6,530	\$7,185	\$6,975
PROGRAM REQUIREMENTS				
40.10 ADMINISTRATION				
State Operations:				
0317	Real Estate Fund	\$6,947	\$10,024	\$10,397
0995	Reimbursements	53	150	150
Totals, State Operations		\$7,000	\$10,174	\$10,547
PROGRAM REQUIREMENTS				
40.20 DISTRIBUTED ADMINISTRATION				
State Operations:				
0317	Real Estate Fund	-\$7,000	-\$10,081	-\$10,454
Totals, State Operations		-\$7,000	-\$10,081	-\$10,454
TOTALS, EXPENDITURES				
State Operations		43,764	47,582	47,169
Totals, Expenditures		\$43,764	\$47,582	\$47,169

EXPENDITURES BY CATEGORY

	1 State Operations	Positions/Personnel Years			Expenditures		
		2010-11	2011-12	2012-13	2010-11*	2011-12*	2012-13*
PERSONAL SERVICES							
	Authorized Positions (Equals Sch. 7A)	350.9	378.7	378.7	\$18,465	\$21,313	\$22,308
	Total Adjustments	-	-	-12.0	-	-	-812

* Dollars in thousands, except in Salary Range.

2320 Department of Real Estate - Continued

1 State Operations	Positions/Personnel Years			Expenditures		
	2010-11	2011-12	2012-13	2010-11*	2011-12*	2012-13*
Estimated Salary Savings	-	-19.0	-18.0	-	-1,817	-303
Net Totals, Salaries and Wages	350.9	359.7	348.7	\$18,465	\$19,496	\$21,193
Staff Benefits	-	-	-	7,258	7,160	7,768
Totals, Personal Services	350.9	359.7	348.7	\$25,723	\$26,656	\$28,961
OPERATING EXPENSES AND EQUIPMENT				\$14,507	\$17,926	\$15,208
SPECIAL ITEMS OF EXPENSE				\$3,534	\$3,000	\$3,000
TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)				\$43,764	\$47,582	\$47,169

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS

1 STATE OPERATIONS	2010-11*	2011-12*	2012-13*
0317 Real Estate Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$46,748	\$47,966	\$46,734
Allocation for employee compensation	70	214	-
Adjustment per Section 3.60	396	-148	-
Adjustment per Section 3.90	-1,156	-567	-
Adjustment per Section 3.91	-2,133	-	-
Adjustment per Section 3.91 (b) Cell Phone Reductions	-	-28	-
Adjustment per Section 3.91 (b) Rental Rate Reductions	-	-21	-
Adjustment per Section 3.91 (b) Operational Efficiency Plan	-	-269	-
Totals Available	\$43,925	\$47,147	\$46,734
Unexpended balance, estimated savings	-317	-	-
TOTALS, EXPENDITURES	\$43,608	\$47,147	\$46,734
0995 Reimbursements			
APPROPRIATIONS			
Reimbursements	\$156	\$435	\$435
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$43,764	\$47,582	\$47,169

FUND CONDITION STATEMENTS

	2010-11*	2011-12*	2012-13*
0317 Real Estate Fund^s			
BEGINNING BALANCE	\$26,978	\$30,191	\$29,611
Prior year adjustments	986	-	-
Adjusted Beginning Balance	\$27,964	\$30,191	\$29,611
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
123400 Real Estate Examination Fees	2,858	2,875	2,965
123500 Real Estate License Fees	36,876	37,559	35,711
123600 Subdivision Filing Fees	4,353	4,502	4,502
125700 Other Regulatory Licenses and Permits	228	228	228
141200 Sales of Documents	32	32	32
142500 Miscellaneous Services to the Public	129	129	129
150300 Income From Surplus Money Investments	177	149	157
161000 Escheat of Unclaimed Checks & Warrants	6	6	6
161400 Miscellaneous Revenue	1,167	1,167	1,167
164300 Penalty Assessments	127	127	127

* Dollars in thousands, except in Salary Range.

2320 Department of Real Estate - Continued

	<u>2010-11*</u>	<u>2011-12*</u>	<u>2012-13*</u>
Total Revenues, Transfers, and Other Adjustments	\$45,953	\$46,774	\$45,024
Total Resources	\$73,917	\$76,965	\$74,635
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0840 State Controller (State Operations)	92	62	54
2320 Department of Real Estate (State Operations)	43,608	47,147	46,734
8880 Financial Information System for California (State Operations)	26	145	38
Total Expenditures and Expenditure Adjustments	<u>\$43,726</u>	<u>\$47,354</u>	<u>\$46,826</u>
FUND BALANCE			
Reserve for economic uncertainties	30,191	29,611	27,809

CHANGES IN AUTHORIZED POSITIONS

	<u>Positions/Personnel Years</u>			<u>Expenditures</u>		
	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2010-11*</u>	<u>2011-12*</u>	<u>2012-13*</u>
Totals, Authorized Positions	350.9	378.7	378.7	\$18,465	\$21,313	\$22,308
Workload and Administrative Adjustmentst:				Salary Range		
Reductions in Authorized Positions:						
RE Ind Liaison	-	-	-1.0	8,630-9,332	-	-109
Real Estate Counsel III - Spec	-	-	-1.0	7,682-9,478	-	-99
Managing Dep Commissioner IV	-	-	-1.0	6,938-7,653	-	-92
Managing Dep Commissioner II	-	-	-1.0	5,113-6,170	-	-72
Sr Dep Commissioner	-	-	-3.0	4,655-5,618	-	-199
Gen Auditor II	-	-	-1.0	3,841-4,903	-	-48
Dep Commissioner	-	-	-4.0	2,969-5,108	-	-193
Totals, Workload & Admin Adjustments	<u>-</u>	<u>-</u>	<u>-12.0</u>	<u>\$-</u>	<u>\$-</u>	<u>-\$812</u>
Total Adjustments	<u>-</u>	<u>-</u>	<u>-12.0</u>	<u>\$-</u>	<u>\$-</u>	<u>-\$812</u>
TOTALS, SALARIES AND WAGES	350.9	378.7	366.7	\$18,465	\$21,313	\$21,496

* Dollars in thousands, except in Salary Range.